

**Design for
Development:**

**Northwestern
Ontario**

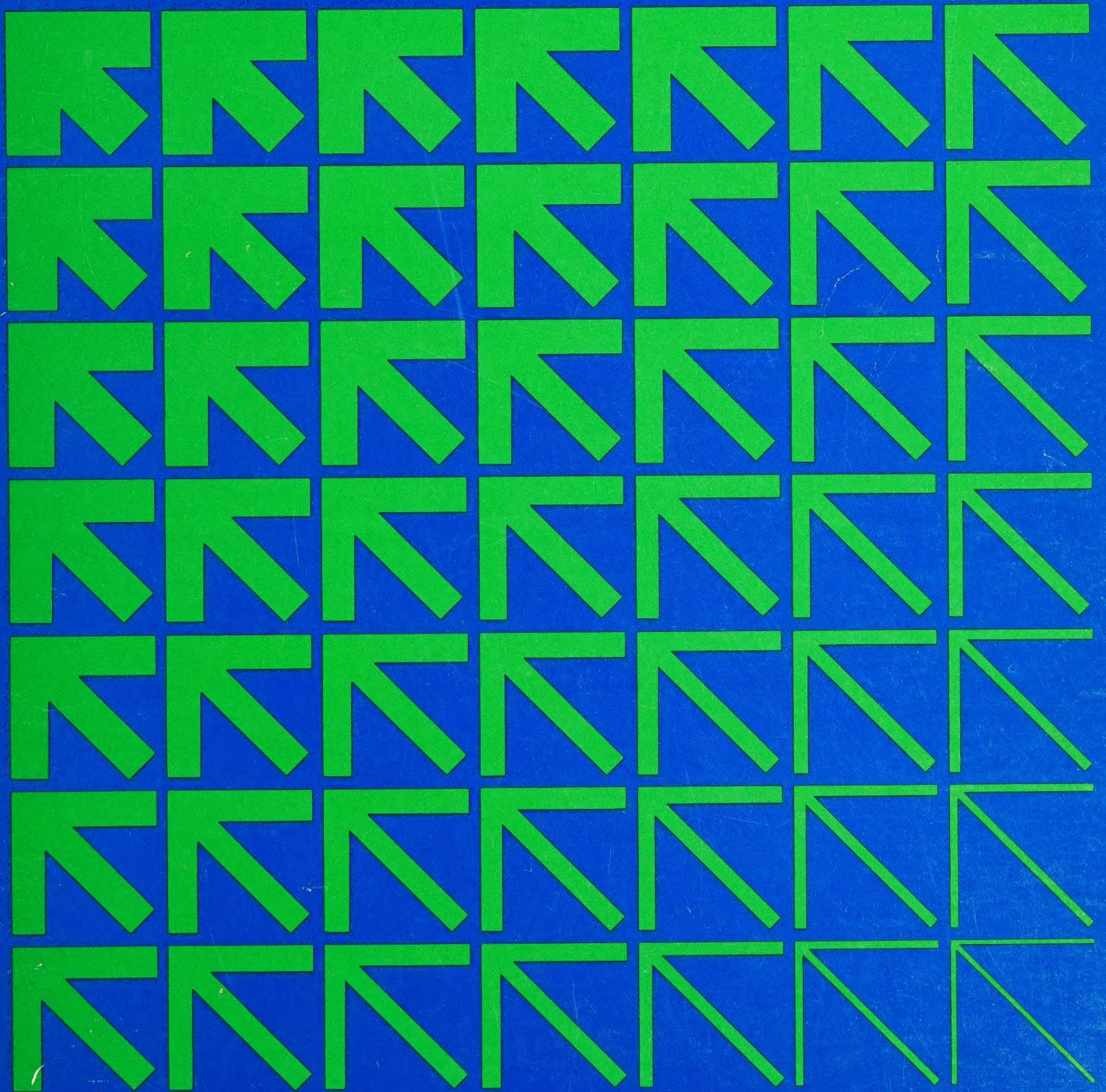
**Initiatives and
Achievements**

CA20N
TR
-78N56



The Honourable
Leo Bernier, Minister
of Northern Affairs

The Honourable
W. Darcy McKeough,
Treasurer of Ontario



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Preface

In October 1970, *Design for Development: Northwestern Ontario Region, Phase 2* was released. This report included a series of policy and program recommendations intended to stimulate economic growth and improve the general level of prosperity and the conditions of life in the Northwest. In August, 1971, following public discussion of this document, the Government of Ontario adopted the Phase 2 report, with some modifications, as a statement of policy. The record of action documented in the following pages demonstrates that, since 1971, the Government of Ontario has moved strongly and deliberately to implement these plans. The province remains committed to the fundamental goals of stimulating economic growth and improving conditions of life in the Northwest, and will continue to support measures designed to achieve these goals.

Implementation of the Phase 2 plan has proceeded over the past six years, and has involved a combination of provincial programs with participation at the federal and municipal levels. Many of the recommendations proposed in 1970 have been adopted, and regular budgetary measures have been supplemented by the introduction of the Regional Priority Budget. Details of these actions are contained in this report.

Northwestern Ontario is a region with unique potentials. It must be acknowledged also that it is a region with unique problems. The province has recognized these characteristics and, working with the residents of the region, is ready to

move onward in its efforts to eliminate the difficulties and realize the significant opportunities of the Northwest. Future efforts will build on the solid base of achievement outlined in this report. This record of initiatives demonstrates that the Government of Ontario is committed to the strong economic and social development of Northwestern Ontario.



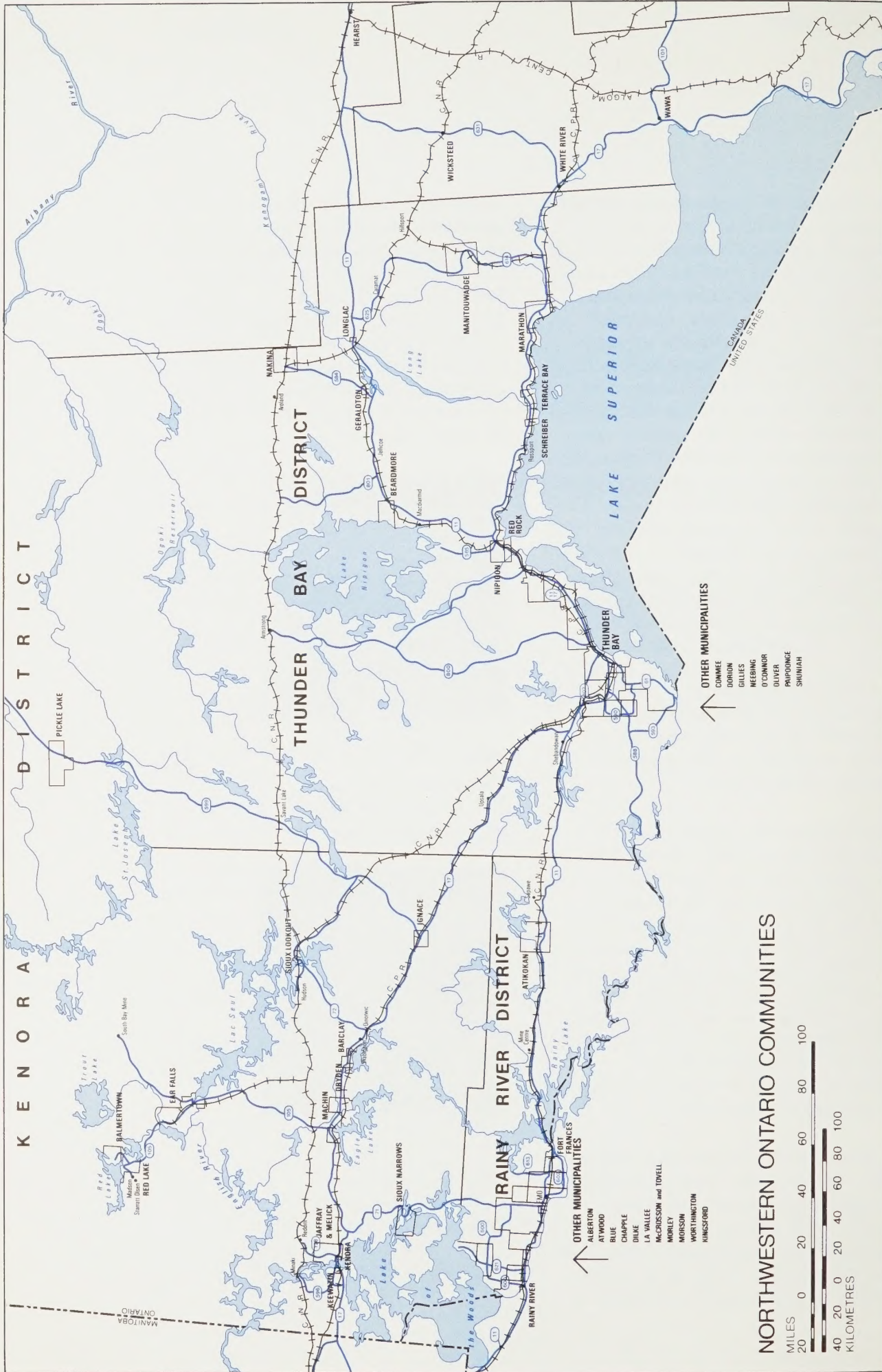
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Part I

Highlights: Goals and Results

This report documents the actions taken by the Ontario government over the past six years to encourage the economic and social development of Northwestern Ontario.

This first section of the paper starts by presenting the goals set out in the 1970 report *Design for Development: Northwestern Ontario*.¹

It then highlights the major steps the government has taken to reach these goals and points out what the government has accomplished since the earlier report was released. The second section describes in detail how the government has addressed each of the sixty-nine specific recommendations in the 1970 report.

The Goals

The 1971 policy statement which embodied the recommendations of the 1970 report identified five main goals for government action in Northwestern Ontario.

- To create at least 18,000 new jobs over the next two decades, thus encouraging economic expansion, especially in a group of designated centres;
- To diversify the regional economy by attracting a range of industries suited to the region;

- To expand and strengthen the resource-based industries (i.e., those based on the mines and forests);
- To provide more effective transportation and communications for economic growth and social welfare;
- To improve and strengthen the region's social infrastructure (hospitals, recreation centres, etc.).

The Results

Over the past six years the government has taken significant steps to achieve these objectives and to improve social and economic conditions in the Northwest. The major results achieved to date, through both private and government projects, are listed below and described more fully in Section II of this report. They include improvements in the number and variety of jobs, in the physical conditions of life in the north, and in social services.

1. Jobs

Between 1971 and 1976, employment grew by over 10,000 in Northwestern Ontario, representing significant progress toward the target of 18,000 new jobs by 1991 proposed in the 1971 policy statement. This employment growth reflected a healthy development in both resources and services. It also reflected a widening choice of occupations and expanding job opportunities for women.

¹ On October 13, 1970, the Honourable C.S. MacNaughton released *Design for Development: Northwestern Ontario Region, Phase 2 — Policy Recommendations*. This document included a series of recommendations concerning government policies and programs. In 1971, after public discussion of this document, the Ontario government issued a statement which adopted the Phase 2 report (with some modifications) as a statement of policy. (See the Honourable W. Darcy McKeough, *Design for Development. A Policy Statement on the Northwestern Ontario Region*, August, 1971.)

Job growth outpaced the region's population growth of 9,025 people during the same interval (1971 to 1976), indicating that an increasing number of the region's residents were able to find employment in their own region.

2. Priority Government Spending

In 1973, the province established the Regional Priority Budget as a special mechanism to provide the funds needed to carry out key socio-economic projects quickly. Northwestern Ontario was the first region in the province to benefit from this budget and so far has received the lion's share of these special expenditures.

Through the first four years of the Regional Priority Budget, the province has committed itself to projects in Northwestern Ontario whose total value is some \$70 million. A little over 30% of these funds are being contributed by the federal Department of Regional Economic Expansion (DREE). Under the Regional Priority Budget, close to \$40 million has been allocated to community infrastructure such as water purification plants and sewage treatment facilities. Significant assistance has also been provided for:

- Constructing roads to give access to resources and to improve transportation generally;
- Improving telecommunications systems;
- Supporting experimental projects in the social service and justice fields.

Details of these investments are described below, in the body of this report.

3. Developing Resources

Six major mining developments, involving a total capital cost of over \$220 million, have been undertaken since 1971. These developments, which employ 1,100 people, include:

- International Nickel (Shebandowan Mine);
- Selco Mining Corporation (South Bay Mine);
- Mattabi Mines Limited;
- Falconbridge Copper Limited (Sturgeon Lake Mine);
- Union Minière Exploration & Mining Corporation Limited (UMEX);
- Mattagami Lake Mines (Lyon Lake Division).

In addition, eleven new sawmills and particleboard plants have been built since 1971, as well as one new pulp and paper mill, while two other pulp mills have undertaken major expansions.² Together, these new forest industry developments will have created over 3,000 jobs in mills and woodlands operations by the end of 1977.

² Major projects included:
 Weldwood of Canada Ltd. (Longlac)
 MacMillan Bloedel Ltd. (Thunder Bay)
 Pluswood of Canada Ltd. (Atikokan)
 Great Lakes Paper Ltd. (Thunder Bay)
 Kimberly-Clark of Canada Ltd. (Terrace Bay)
 Ontario-Minnesota Pulp & Paper Co. Ltd. (Fort Frances)

4. Diversifying Employment

While regional employment opportunities in service jobs have improved substantially, the growth in manufacturing jobs has been somewhat disappointing. Northwestern Ontario is not unique in this respect, however; during this time, manufacturing has grown slowly throughout the entire province.

5. Improved Transportation and Communications

The province's program to maintain and improve the region's highways has brought the present level of regional highway services above the provincial average. Some of the highlights in this regard are the construction of a new link between Fort Frances and Dryden and the improvement of Highway 599 to Pickle Lake. The province also has completed or has under construction a number of major access roads to resources, including Highway 642 and the Marchington Lake Road.

Passenger cars cost more to operate in northern Ontario than they do in the south: distances are greater, the generally colder climate reduces the gasoline mileage, and gasoline often costs more. To help offset this additional cost, the province has reduced the registration fee for cars and motorcycles to a flat \$10 per vehicle, starting in the 1978 registration year. On the average, assuming each vehicle travels some 10,000 miles a year, the lower registration fee is equivalent to reducing the cost of gasoline by about 5¢ per gallon.

Air service has also been improved significantly. NorOntair Service was inaugurated in Northwestern Ontario in 1975; to date it has been extended to Atikokan, Dryden, Fort Frances, Kenora, Pickle Lake, and Thunder Bay. With the completion of the airport now under construction, Geraldton will be added to this network.

In addition, the municipal airport subsidy with which the province helps the municipalities defray capital expenses has been increased. Subsidies have been received by Dryden, Fort Frances, and Atikokan. Airport facilities in Geraldton and Kenora are currently being improved with assistance from the Regional Priority Budget. Also, the Remote Airport Program has provided for constructing and maintaining air strips in seven settlements in the northern portions of the region. Additional remote air strips are planned.

Communication facilities are also being improved in Northwestern Ontario. The province and Bell Canada are jointly funding a \$16.8 million program extending telecommunication services to remote northern communities, making reliable, twenty-four-hour-a-day voice communication possible.

6. Support for Community Infrastructure and Planning

The Ontario government is strongly committed to developing the communities of Northwestern Ontario. As noted above, well over

half of the Regional Priority Budget has been spent on items such as community water supply and sewage systems. Major servicing projects have been supported in Thunder Bay, Dryden, Kenora, Ear Falls, Red Lake, Ignace, Pickle Lake, Geraldton, Nakina, and Longlac.

The Regional Priority Budget has also been used to provide electricity to remote northern communities, to help studies in community planning, and to develop airports and build regional roads critical to the improvement of local communities.

The Ministry of Housing has taken several steps to help Northwestern Ontario municipalities deal with planning: it has established a regional office of its Community Planning Advisory Branch at Thunder Bay; in 1974 it introduced the Housing Policy Statement Program to help the municipalities determine their housing needs; and it has recently published standards for the municipalities' guidance as they plan land uses and municipal services. (See *Urban Development Standards, a Demonstration of the Potential for Reducing Costs*, Ontario Ministry of Housing.)

In the area of local government organization, the province has been ready to help Northwestern Ontario municipalities examine their local government structure. To address the problems of small communities in remote areas which lack municipal structure and thus fail to qualify for other grant programs, the province has established an Isolated Communities Assistance Fund.

This fund is being used primarily for fire protection and for providing and purifying water for household use — local services fundamental to life and health.

7. Financial Support for Local Government

As well as providing special assistance through the Regional Priority Budget, the province has significantly increased its financial support for local government in the north. Recognizing the unique financial requirements of the region's communities, Ontario has started significantly reforming and enriching the provincial-local grant structure. The magnitude of these programs is indicated by the fact that the total amount paid to municipalities, school boards, and local boards in Northwestern Ontario in 1974-75 was \$450 per capita, some 50% higher than the average for the province as a whole.

In 1973, the Northern Ontario Support Grant was introduced. This grant, in addition to other assistance which the province already provides the municipalities, gave local governments a sum equal to 15% of the taxes which these local governments levy for municipal purposes. For 1977-78, the Northern Ontario Support Grant has been further increased to 18%. The total sums provided to Northwestern Ontario municipalities under this special Support Grant in 1977-78 will exceed \$9 million, according to current estimates.

The province is also helping smaller, unincorporated settlements in the Northwest, settlements that in the past have not

qualified for grants to local governments; in 1976, as mentioned above, it established the Isolated Communities Assistance Fund to help provide such basic services as fire protection and water treatment.

Among other grant and support programs of particular relevance to the Northwest are:

- The special capital grants available to small community hospitals in Northern Ontario (an additional level of provincial aid equal to one-sixth of approved building costs);
- Full provincial coverage — not just the usual 80% — of the cost of various forms of social assistance for people living in unorganized areas;
- The special grant formulae applied to Wintario-funded programs, to libraries, and to community recreation centres to compensate for higher costs in the region. (That is, the province pays a greater proportion toward these items in the north than it does in the south.)

8. Encouragement of Business and Industry

The province has taken significant steps to expand and strengthen the resource-based industries and to help other industry in the region to expand.

A number of the major projects funded through the Regional Priority Budget have provided infrastructure directly related to the expansion of the region's resource industries. Such infrastructure includes the sewer and

water facilities supplied to three of the communities affected by the Kimberly-Clark development: Geraldton, Longlac, and Nakina. These facilities will serve, not the plant, but the houses of the woodlands workers. Terrace Bay and Schreiber will also benefit from the Kimberly-Clark expansion.

Small business has been fostered in the region, as well. In 1970, the Ontario government established the Northern Ontario Development Corporation (NODC) to help stimulate small businesses in Northern Ontario. By March 31, 1977, the NODC had loaned close to \$33 million to over 200 enterprises in Northwestern Ontario — not only to secondary manufacturing, but to tourist operations, as well. Selected service industries became eligible for loans in 1973, and the eligible range of tourist investments was significantly broadened in 1971 and 1973. These changes have been of particular benefit to Northwestern Ontario.

In 1976 the Ontario government initiated a Small Business Management Development Program in Dryden. This pilot program has been extremely successful in helping local business managers to run their businesses more effectively. Similar programs will probably be carried out in other communities, including Kenora and Fort Frances. The province, through the Ministry of Industry and Tourism, also maintains a full-time industrial development officer in the region to work with local industry and with community development organizations to identify new business opportunities. A broad range of advisory services is available to

businesses in the region through the programs of the Ministry of Industry and Tourism.

Tourism has long been recognized as important to the economy of the Northwest, and the province has furthered the development of this industry by means of advertising campaigns throughout Canada, in the United States, and overseas. In addition, the province operates travel information centres at Pigeon River, Kenora, Fort Frances, and Rainy River.

9. Improvements in Cultural and Recreational Facilities

Since 1971, the province has extended and improved the recreational and cultural services available to residents of the Northwest. Of key importance to this work has been the Ministry of Culture and Recreation, established in 1975; in addition, the Ministry of Natural Resources has played an important role in matters relating to outdoor recreation.

The Ministry of Culture and Recreation is entrusted with three tasks: to preserve and maintain the region's cultural heritage; to promote the active involvement of the region's people in the cultural and recreational life of the region; and to stimulate the development of new forms of cultural expression. In the two years since the ministry came into being, it has established or emphasized the following policies:

- *Ontario Educational Communications Authority (OECA)*
Currently, OECA programming is microwaved to Thunder Bay and is available to Thunder Bay cable subscribers. A broadcast transmission station in Thunder Bay, now under construction, will bring a full sixteen-hour-a-day educational network service to the Thunder Bay area;
- *Heritage Programs*
The restoration of Old Fort William, at Thunder Bay, has preserved a view of the region's frontier history. In addition, grants have been awarded to six communities throughout the region to help them develop and maintain local historical museums;
- *Cultural Programs*
The Outreach Ontario and Festival Ontario programs have supported various events and exhibitions in smaller and more isolated communities. The Ontario Arts Council has helped support touring art exhibitions, theatre groups, and symphony orchestras;
- *Wintario Grants*
Many communities in Northwestern Ontario have benefitted from Wintario grants promoting physical fitness, sports, recreation, and cultural activities. As noted earlier, provincial support levels are proportionally higher in the north than they are in the south.

In addition to the OECA services, the province has worked to improve the general level of communications in the Northwest. The Ontario government has supported measures such as the Pickle Lake Corridor program to supply television and radio broadcasts to that developing area of the region. The

province has also helped in providing alternative radio service in the communities of Red Lake, Ear Falls, Ignace, Sioux Lookout, Hudson, and Atikokan; these communities could formerly receive only the CBC.

With regard to outdoor programs, the Ministry of Natural Resources now administers twenty-two provincial parks in the region, providing a range of recreation from urban day-use to wilderness trips in areas like Quetico Provincial Park. The province has also responded to local residents' concern over the diminishing wildlife population in the region by increasing the funds available for herd management and adjusting the hunting seasons to favour residents. Provincial policy also gives Ontario residents the first opportunity to lease cottage lots on Crown land.

10. Improved Social Development Measures

Social services, health, and education have improved significantly in Northwestern Ontario since 1971. To summarize all of these improvements would require a separate report, but the following highlights indicate the range and magnitude of these extended and improved services.

- Two major capital-financing programs — Project Day Care and the Day Care Expansion Program — have helped local communities to build nearly twenty licenced day nurseries in the region since 1971;
- The capacity of the region's municipal homes for the aged has expanded by 31% since 1973, to bring the ratio of beds to population above the provincial average;
- Special grants providing full funding from the province have financed four new community residences in the region for the mentally retarded;
- Income maintenance programs in the Northwest have been adjusted to accommodate the generally higher cost of living in the north, and a new program encourages people to return to work by allowing them to continue receiving reduced benefits while doing so;
- In 1973 Lakehead University established a Department of Social Work offering courses relating to Northwestern Ontario. Confederation College in Thunder Bay also now offers a social services program;
- District Health Councils have been established to advise the Ministry of Health on planning for the entire Northwestern Ontario region;
- Since 1971, the province has provided the hospitals in the region with more than \$10 million in hospital construction grants;
- The Underserved Area Program has improved medical services in sparsely populated areas by offering financial incentives to physicians and nurses to locate in such areas;
- The Underserved Area Program has also attracted dentists to the region. In addition, provincial mobile units provide dental treatment and preventive dental care for pre-school and elementary-school children in remote areas;

- New mental health services have been provided, and out-patient and day-care programs have been expanded. A number of satellite offices have been established with staff support from the Lakehead Psychiatric Hospital;
- Ambulance services have been improved and more fully coordinated;
- Experiments using telecommunications technology to improve the quality of medical care in smaller centres are under way in the region;
- The “Northern Corps,” a specially-trained team of teachers posted in remote communities, has expanded from nine teachers in 1971 to sixteen in the present school year;
- Other measures to improve educational facilities in remote areas include providing audio-visual equipment and materials;
- New budgetary and administrative measures have been introduced to streamline procedures for local school boards, and the regional office of the Ministry of Education provides support personnel to assist school boards in the region which lack their own staff;
- Over the past decade, Lakehead University has evolved from a technical institute into a full-fledged university;
- Lakehead University has established a Continuing Education Department to provide residents of smaller communities with a variety of programs. Over fifty courses are being offered this year in Dryden, Geraldton, Kenora, Manitouwadge, Marathon, Atikokan, Ear Falls, Fort Frances, Ignace, Longlac, Rainy River, Red Lake, Sioux Lookout, and Vermilion Bay;
- Confederation College of Applied Arts and Technology has also expanded its continuing education program and operates adult training programs, continuously in Thunder Bay and Kenora, and as required in some medium-sized centres;
- A broad range of manpower training programs is offered in the region in both institutional and on-the-job settings.

11. Advances in the Administration of Justice

Most of the programs and policies carried out in recent years by ministries in the Justice Policy Field have been directed at making justice more accessible to the people in remote settlements and to the native population of the region. For example, the use of travelling courts in the region has been expanded, as have measures to increase native participation as jurors, as Justices of the Peace, and as police and Correctional Services Officers.

Special training programs in native culture have been introduced for Ontario Provincial Police officers dealing with reserves in Northwestern Ontario, and closer liaison has been established between police forces and the leaders of local Indian Bands.

Consumer protection services have also been improved in the region: a consumer education program, for example, was supported through the Regional Priority Budget, and

an office of the Consumer Protection Bureau has been established in Thunder Bay to assist consumers in the region further.

12. Assistance to Native People

The particular needs of native people and native communities have been recognized in putting the Design for Development program into effect in the Northwest. Native communities often have significant socioeconomic problems. These problems do not stem from one single factor, nor can they be tackled by a single ministry or government. For its part, the province has introduced or expanded many programs related to native people in the region since 1971. These actions have included:

- Establishing an Office of Indian Land Claims in 1976 to deal with native concerns regarding land;
- Providing telecommunication services to remote areas, including a number of native settlements north of the 50th parallel;
- Employing native people to operate and maintain the remote-community air strips for which the province is responsible;
- Filling housing needs through programs such as the Northern Ontario Assistance (NOAH) Program and its successor, the Rural and Native Housing Program;
- Providing funds through the Municipal Assistance Program to maintain and improve roads within native communities;
- Establishing electrification programs in native communities through Ontario Hydro in cooperation with the federal government;
- Developing and publishing curriculum resource guides for the education of native students;
- Establishing programs for training native teachers and classroom assistants;
- Providing counselling and tutorial assistance to native students attending secondary school away from home. Financial support for these students has also been increased;
- Offering programs enabling a person to raise his standing in selected academic subjects or to develop other skills. These programs are offered through the region's Community College on about twenty-five reserves. Other adult training programs have also been offered on reserves, including training in employable skills, and a special pilot course in Life Skills for Employment. (Students in this course learned how to apply for a job, what an employer will expect, and other aspects of how to get and keep a job in industry.) These latter courses were funded in part through the Regional Priority Budget;
- Helping the Indians to establish and maintain Band libraries;
- Providing native court workers to advise and assist native people;
- Recruiting Justices of the Peace from the native population;
- Introducing the Native Volunteer Probation Project, whereby natives serve as volunteer probation officers for their fellows;

- Providing Life Skills programs for inmates of regional jails. These programs have been funded through the Regional Priority Budget;
- Introducing a special Reserve Policing Project to provide northern native communities with improved police presence and introducing the Band Constable program.

13. Ministry of Northern Affairs

In addition to the tangible progress achieved through the programs and expenditures highlighted above, the province recently proposed an alteration in its administrative structure to further ensure the social and economic development of Northwestern Ontario. In recognition of the particular needs of the north, the government introduced legislation in April, 1977, to establish a Ministry of Northern Affairs.

The new ministry will help to coordinate and administer all Ontario government programs in the north. It will have its own administrative functions as well: it will take over responsibilities for community and regional priority projects (projects financed by the Regional Priority Budget), for townsite development, for the Northern Ontario Resources Transportation Program, for the access roads to resources, and for the Isolated Communities Assistance Program. The new ministry will

establish priorities for constructing northern roads and, on July 1, 1977, the ministry assumed responsibility for the Ontario Northland Transportation Commission, including NorOntair and the telecommunication service.

The ministry will continually assess the government's activities in the north. In particular, it will look for any gaps that may exist between programs or between ministerial responsibilities. Also, as part of its function as the major coordinating body for Northern Ontario, the Ministry of Northern Affairs will strengthen the government's relationships with municipal and community groups.

In order to carry out its mandate in the Northwest, the ministry has established a regional office in Kenora under the direction of an Assistant Deputy Minister. This regional headquarters will be supported by the existing Northern Affairs offices, which are located in nine Northwestern Ontario communities, and by a Northern Affairs district office to be established at Thunder Bay.

Future Challenges

The highlights of actions and results presented in the previous sections of this report indicate that since 1971 much progress has been made in realizing the development potential of Northwestern Ontario. As detailed in Part II, much of this improvement can be attributed to the province's direct response to the recommendations put forward in *Design for Development, Phase 2*.

The government has also undertaken additional programs to meet newly evolving challenges in the region.

Northwestern Ontario is characterized by continuous change. Given this dynamic character of the Northwest, it is difficult to foresee the issues to be addressed in the future. Policy approaches and programs undertaken must be flexible to respond to new and changing conditions. The various ministries of the Ontario government are continually reviewing their programs and policies and will adjust their activities as necessary. The Ministry of Northern Affairs will play an important role in coordinating the activities of the province in the region.

The government recognizes that, in many fields, further efforts are required in Northwestern Ontario. Among these, there is a need to continue and improve upon:

- The encouragement of private investment;
- The enhancement of the use made of the region's wood and mineral resources;
- The adjustment of provincial regulations and codes to suit the unique needs of the Northwest;
- The protection of the environmental quality of the region;
- The integration of social services to avoid unnecessary duplication and to improve the quality of service;

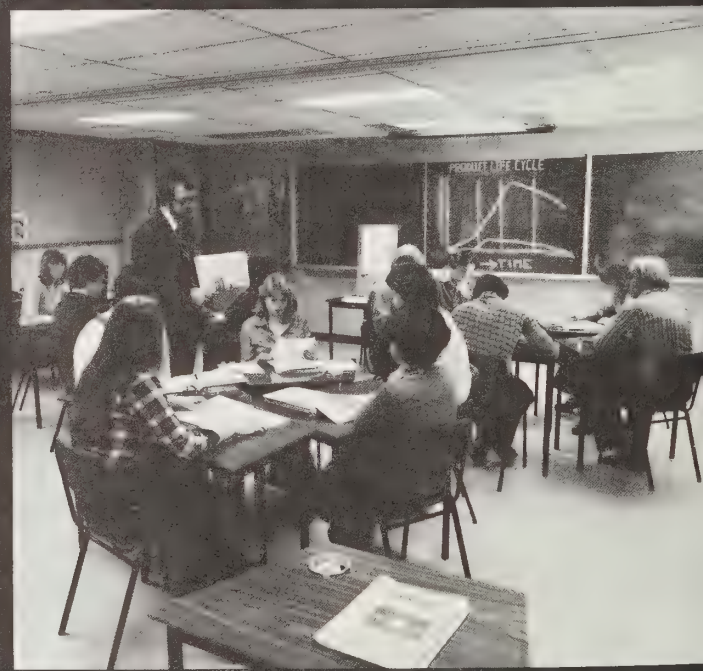
- The improvement of essential services such as fire protection in remote and unorganized areas;
- The fuller participation by native people in the benefits of economic development in the region.

The region has made good progress in the years since the Phase 2 report was published, but further progress is possible. As part of its commitment to the economic and social growth of the Northwest, the province has brought the Northwestern Ontario strategy up to date in the form of a proposed development plan, soon to be available for public discussion. In addition, the government will continue to undertake and support programs designed to help Northwestern Ontario's development, as the region faces the challenges of the future.

Above/Main campus, Confederation College
Below/Candy Mountain ski area



Above/New townhouse developments
Centre/Production facilities at Multiply Ltd.
Below/Post-secondary education



Note To Part II

In 1972, as a result of the recommendations of the Committee on Government Productivity, the province restructured its organization. The government was reorganized into three policy fields — Justice, Resources Development, and Social Development — each coordinated by a Provincial Secretary. A Ministry of Treasury, Economics and Intergovernmental Affairs (TEIGA), under the direction of the Provincial Treasurer, was also established. This restructuring was designed to help groups of ministries with related concerns and

programs to work more closely together. As part of this restructuring, the previous departmental organization was replaced by a series of ministries, which in many cases absorbed functions from more than one of the pre-1972 departments. The following review of the Phase 2 recommendations refers to the new ministries now responsible for carrying out the departmental directives contained in the *Design for Development* report.

Part II

The 1970 Phase 2 Recommendations and What the Government has Done About Them

Introduction

Since 1970, significant progress has been made in improving the social and economic condition of Northwestern Ontario. The province's role in this effort is documented in the following pages.

Although some of the recommendations in *Design for Development, Phase 2* have received lower priority, both because funds were limited and because the development needs of the region have changed since the Phase 2 report was published, the government has acted on virtually every recommendation. Further, because of these changing needs, the government has undertaken additional programs to supplement the 1970 proposals and to meet evolving challenges in the Northwest.

There is still progress to be made, however, and the province, working with other governments, with industry, and with the residents of the region, is committed to a continued improvement in the economic and social condition of Northwestern Ontario.

Recommendations and Results

The development strategy for Northwestern Ontario proposed in *Design for Development, Phase 2* centred on encouraging moderate growth in the region. In support of this general goal, the report presented sixty-nine specific recommendations organized under seven main headings:

1. General Policy
2. Economic Development

3. Transportation and Communications
4. Community and Regional Environment
5. Education
6. Health
7. Social Services

These recommendations, grouped by general subject matter under the seven headings above, are presented below in the order in which they appeared in *Design for Development*. A review of the province's actions follows each group of recommendations.³

1. General Policy

Recommendation 1.1

The federal and Ontario governments should seek ways and means of offering substantial incentives for the establishment of new industry in Northwestern Ontario to complement the policy of the federal Department of Regional Economic Expansion. It is recommended that, under the programs of the Northern Ontario Development Corporation, primary industry and certain tertiary industries qualify for loans. The province should undertake discussions as soon as possible with the federal government on the best way of ensuring federal financial and program participation in the implementation of specific targets and recommendations in this report.

³ Those recommendations marked with an asterisk were identified in the Phase 2 report as having particular implications for the Indian community.

In 1970 the Ontario government established the Northern Ontario Development Corporation (NODC), replacing the Ontario Development Corporation in Northern Ontario. By March 31, 1977, the NODC had loaned close to \$33 million to 200 enterprises in the Northwest.

The NODC provides loans not only to manufacturing industries (such as a metal fabricator), but to service industries which support manufacturing (such as a machine shop), and to tourist operations. Selected service industries became eligible for loans in 1973, and eligible tourist investments were significantly increased in 1971 and 1973. These changes were all particularly important to Northwestern Ontario.

Federal participation in assisting the region's development has been secured through the Department of Regional Economic Expansion (DREE) under a ten-year General Development Agreement signed in February, 1974, by the federal and Ontario governments. The General Development Agreement has been followed up with a series of subsidiary agreements which provide for the two governments to share the cost of a variety of infrastructure projects supporting industrial development in the region. Financial commitments under these agreements to date total more than \$60 million. Northwestern Ontario has continued to be a designated region under the federal Regional Development Incentives Act, as well. Under this program, over seven million dollars in direct grants have been provided to industries locating or expanding in the region.

2. Economic Development

Recommendation 2.1

The Ontario government, under the Department of Mines and Northern Affairs, should intensify geological surveys and airborne geophysical surveys to facilitate the discovery of new mineral deposits.

Recommendation 2.2

The Ontario government should request the cooperation of all private companies in submitting, within a reasonable time limit, all geological and geophysical exploration data to the Department of Mines and Northern Affairs for public use.

Recommendation 2.3

The taxation position of the mining industry should be reviewed constantly to ensure that, in the light of changing tax policies in Canada and other countries, the domestic mining industry remains competitive in world markets.

Recommendation 2.4

Where there exist economic mineral deposits of proven grade and size and for which there is a market, cooperative efforts should be made to bring the deposits into production as soon as feasible.

All of these recommendations concern mining. The province recognizes how important this industry is to the economy of the Northwest, and has continued and expanded its work to support mineral development.

The Ministry of Natural Resources (MNR), which now incorporates the former Department of Mines and Northern Affairs, sends a number of geological and geophysical survey parties into the field each summer. The past (1976) summer season saw nineteen survey parties working in the region. In 1976 the ministry also funded the establishment of a geochronology laboratory (a laboratory which determines the age of minerals) to help analyse mineral potential.

In addition to its own survey work, the MNR introduced a Mineral Exploration Assistance Program (MEAP) in 1971. MEAP encourages private exploration by subsidizing one-third of the exploration costs incurred in certain designated areas, namely, Beardmore-Geraldton, Red Lake, and Atikokan.

The concept of open assessment files proposed in Recommendation 2.2 was endorsed in the *Report of the Advisory Committee on The Mining Act* issued in February, 1974, but the legal complexities of this idea have meant that not all mining companies have followed this practice. All technical reports prepared through MEAP assistance, however, are placed immediately on open file for public examination.

Since 1971, there have been significant changes in mining sector taxation at both the federal and provincial levels. Unfortunately, despite the fact that some of the changes have provided significant potential benefit to the industry,

the uncertainty created by the rapid amendments to resource taxation and by the conflicts between the levels of government may have worked to the detriment of strong development in the mineral sector. Ontario recognizes these problems and has called for closer cooperation between all levels of government in mineral taxation.

As one step in tailoring the tax system to encourage mineral development, in 1974 Ontario introduced changes in its Mining Tax Act which significantly increased the allowance for processing facilities in the north.

The Ontario government also recognizes that promising deposits must be made accessible, if they are to be developed. It has therefore provided funds through the Northern Ontario Resources Transportation Committee for constructing or improving mine access roads. The Ministry of Transportation and Communications has also undertaken road improvements of benefit to prospective mining operations.

Recommendation 2.5

The Ontario government, in cooperation with the federal government and private enterprise, should continue to enhance the competitive position of the forest products industry on an equitable basis by:

- a) Financial assistance in plant modernization;
- b) Financial assistance in plant expansion;
- c) Better utilization of exploitable forest resources through a continued program of timber-limit reallocation;

d) Financial assistance in access road construction.

Recommendation 2.6

Studies should be renewed concerning the feasibility of locating at least one new pulp and paper mill in Northwestern Ontario. Priority should be given to areas where existing timber resources are under-utilized and environmental quality can be maintained.

Recommendation 2.7

Feasibility studies should be made regarding further development of the lumber, plywood, veneer and other woods products industries in Northwestern Ontario, using in particular under-utilized forest species.

Recommendation 2.8

Related to Recommendation 2.7, it is further suggested that particular attention be given to the possibility of integrated wood-using industries, particularly in Strategic "B" communities, if studies in these areas demonstrate economic feasibility. Examples of such communities are Geraldton (Strategic "A"), Manitouwadge, Atikokan, Sioux Lookout and Red Lake (Strategic "B").

The government has acted on all of the above recommendations dealing with the Northwest's forest-product industries.

Financial assistance for plant modernization and expansion has been made available through the programs of the NODC and the Regional Development Incentives Act described earlier. A review of assistance provided under these programs in the Northwest since 1971 indicates that forest-related industries have received over 30% of the total allotted funds.

In addition to this financial assistance for plant and equipment, the province, through the Ministry of Natural Resources, the Regional Priority Budget, and the Northern Ontario Resources Transportation Committee, has provided funds for building, improving, and maintaining access roads for the direct benefit of the forest industry.

Since 1971 the following pulp and paper mills in the region have undertaken or announced major expansion:

- Ontario-Minnesota at Fort Frances;
- Great Lakes Paper at Thunder Bay;
- Kimberly-Clark at Terrace Bay;
- Reed Paper at Dryden.

Reed also proposes to establish a new integrated forest-products complex in the Ear Falls/Red Lake area, which would possibly start up in 1985. This facility would use timber in the area between Red Lake and Pickle Lake. In October, 1976, a Memorandum of Understanding concerning the feasibility study for such a complex was signed by the Government of Ontario and Reed Ltd.

After the Memorandum of Understanding was signed, however, the government decided that all aspects of the proposal would be reviewed under The Environmental Assessment Act. The government has appointed Mr. Justice Patrick Hartt as commissioner, under The Public Inquiries Act, 1971, to inquire into the social, economic, and environmental implications of resource development projects north of the 50th parallel.

Since 1971 a number of sawmills and plywood, veneer, and other wood-products firms also have been established or expanded in the region. These include:

- Reed Paper at Red Lake Road (lumber);
- Great Lakes Paper at Thunder Bay (lumber, waferboard, and particle-board);
- MacMillan Bloedel at Thunder Bay (waferboard);
- Pluswood at Atikokan (particle-board);
- Multiply at Nipigon (plywood);
- Weldwood at Longlac (flakeboard);
- Kimberly-Clark at Terrace Bay (lumber).

These new board mills and sawmills increase the use of species such as poplar and birch, which were previously of little economic benefit.

Their development also reflects the significant trend toward integrated wood industries in the region, as companies try to find uses for wood resources and wastes. Virtually all of the region's pulp mills have constructed or acquired sawmill facilities, enabling them to use the larger and better-quality logs for lumber, rather than for pulp. In turn, sawmill wastes such as shavings and sawdust are being used increasingly by pulp mills. In one instance, sawmill wastes are being used to make flakeboard.

These recent and proposed expansions and diversifications by forest industries in the region since 1971 have substantially increased the use of exploitable forest resources,

to the benefit of the Northwestern economy. The Ministry of Natural Resources also has encouraged reallocation of the timber limits, primarily through increased use of Volume Agreements and through a 1974 modification of the Crown dues structure. The ministry has also instituted third-party agreements to increase the harvest from under-used licence areas. Further efforts to use the forests better are expected to result from the recent *Report of the Timber Revenue Task Force* and Professor K.A. Armson's study for the Ministry of Natural Resources entitled *Forest Management in Ontario*.

Recommendation 2.9*

Related to the previous two recommendations, it is further recommended that government and industry jointly develop special training programs for people in remote areas to increase their opportunities for steady employment in both mechanized woods operations and in the mills.

A number of programs are available to facilitate the training of northern residents, including native people, for jobs in the forest industry. These include Apprenticeship Training, Training in Business and Industry (TIBI), and the Canada Manpower Industrial Training Program. In addition, there are programs more specifically directed toward native people, such as the federal Work Opportunities Program and the provincial Indian Self-Help Program. Confederation College of Applied Arts and Technology has been involved in a number of adult training programs directed at preparing native people to take jobs in industry. As a result of these efforts and of cooperative programs with regional employers,

an increasing number of native people are finding employment in woods operations and in the mills.

Recommendation 2.10

Existing incentive programs, both federal and provincial, should be broadened to include mining, primary forest industries, utilities and those service industries such as tourist outfitters which can demonstrate potential for growth in employment.

As indicated in the reference to Recommendation 1.1 above, the programs of the NODC have been extended to encourage the development of services which support manufacturing, as well as of various types of tourist operations, including outfitters. The government continues to encourage development of primary resources by building additional access roads, by introducing improved management of resources, and through tax policies which help private companies to acquire the capital they need to build and improve their facilities.

Recommendation 2.11

Provided substantial developments occur in the mining of base metals and iron in Northwestern Ontario, the federal and provincial governments should encourage, through the provision of substantial incentives, the establishment of a smelter, refinery, or other primary metal industry within the region, Thunder Bay being the most advantageous location.

In 1974 the province reaffirmed its commitment to developing further processing facilities in the north by introducing changes in The Mining

Tax Act. These changes included very favourable allowances for firms establishing facilities for smelting, refining, and otherwise processing minerals beyond the concentrate stage.

While there have been base-metals developments in the Northwest over the past six years, the scale of operations has been too small under current market conditions to warrant the establishment of processing facilities in the region. In the case of iron ore, no new properties have been brought into production since 1971, although a number of major deposits have been identified. Nevertheless, the Griffith Mine near Ear Falls has started to experiment with a direct-reduction process which will make further processing of iron ore at the mine site possible. Further processing within the region will probably become economically possible, however, only if world market conditions change and larger ore deposits are developed. The provisions of Ontario's Mining Tax Act will certainly serve to encourage such development.

Recommendation 2.12

A detailed analysis of the transportation cost/rate structure and its effects on Northwestern Ontario industry is currently being undertaken. Early consideration should be given to the recommendations of this report.

The issue of freight rates and their effect on Northwestern Ontario's industry has been the focus of much discussion and debate over the years. Most Northwestern Ontario goods are transported long

distances to reach markets in Southern Ontario and across the border in the United States. Because of the distances involved, the cost of transportation becomes a significant component of the total cost of the product. But the additional costs of transport in the north are not always caused solely by the real costs of moving goods longer distances. Studies conducted by the province since 1971 have identified a number of unnecessary obstacles to the efficient and economical movement of goods to and from Northwestern Ontario, and have put forward recommendations aimed at solving these problems. It is difficult to put some of these recommendations into effect, however, because of the jurisdictional divisions which affect transportation in Ontario. Rail shipment, for example, is the responsibility of the federal government.

Nevertheless, in its efforts to ensure that no unnecessary transportation costs are incurred by Northwestern Ontario industry, the province has been presenting these issues to the appropriate private and public bodies, and will continue to do so.

Recommendation 2.13

The Primate and Strategic "A" centres of opportunity should be encouraged to plan for development of feasible industrial sites and industrial parks which are adequately served by water, sewage disposal, power and transportation facilities. Within this recommendation it is urged that careful attention be paid to the functions that each centre is expected to perform and to the prospects of each community for industrial development.

Recommendation 2.14

Through the Northwestern Regional Development Council and in conjunction with the municipalities and the Northwestern Ontario Chamber of Commerce and other industrial agencies, communities in Northwestern Ontario with common problems and common interests should retain the services of capable industrial development officers to publicize the regional development program, to initiate the development of industrial sites, and to coordinate local development programs with the overall priorities of the regional program.

Recommendation 2.15

Financial measures to facilitate the implementation of Recommendation 2.14 should be developed jointly by the province, the Northwestern Ontario Regional Development Council, the municipalities and the private sector.

The province, through the Ministry of Industry and Tourism (MIT), offers numerous services to Northwestern Ontario communities to help support their industrial development. A full-time industrial development officer is assigned to the MIT's regional office at Thunder Bay to help Northwestern municipalities with their development programs. In addition, the regional office of the MIT is able to draw on the facilities and expertise of the ministry's staff in Toronto, once the specific type of assistance needed has been identified. Through supplying these advisory services and through sponsoring training seminars in industrial development, the MIT has helped a number of communities in the region to strengthen their industrial development efforts.

Above/Resource access road under construction
Below/Marina, Lake of the Woods



*Above/MNR's fire fighting base, Dryden
*Centre/Mattabi Mines Ltd.
*Below/Pickle Lake: a modern resource community



*Photo courtesy of The Dryden Observer

In 1975 a special program to help municipalities establish industrial parks was introduced. The Industrial Parks Program, administered by the MIT, provides loans at favourable rates to municipalities for servicing industrial lands within their boundaries.

It should be noted that the MIT's help in industrial and commercial development is not available solely to municipalities. Many of the ministry's advisory and information services are offered directly to the businessmen of the region. Also, in some instances the MIT works jointly with local municipal officials and local business associations such as chambers of commerce to develop programs to help the region's enterprises. The Small Business Management Development Program recently concluded in Dryden and now under way in Kenora is an example of such cooperative efforts.

Recommendation 2.16

Attention should be given to the creation of employment opportunities for women, who are substantially under-employed in Northwestern Ontario compared with the province as a whole.

Since 1971, there has been a substantial increase in employment opportunities for women in Northwestern Ontario. This increase is due to both the expansion of the service industries in the region and the growing number of women taking jobs in the resource-based industries of the Northwest. The creation of the Women's Bureau and the recent amendments to The Employment Standards Act and the Human Rights Code have

helped to make employers aware of the many jobs women can fill; these measures have thus increased opportunities for the training, employment, and advancement of women.

In 1971, the labour force participation rate in Northwestern Ontario (i.e., the proportion of working-age persons who have jobs or are looking for work) was far below that of Ontario as a whole. This participation rate has risen considerably over the past six years and now approaches the Ontario average. The bulk of this increase stemmed from the significant rise in the region's job opportunities for women.

Recommendation 2.17

Major integrated recreational complexes, featuring camping, golf, swimming, boating, skiing, fishing, and hunting should be established at key locations in Northwestern Ontario. It is suggested that sites be investigated and, if warranted, acquired or reserved on the eastern shore of Lake of the Woods, on Eagle Lake near Vermilion Bay, on or near Minnitaki Lake south of Sioux Lookout, on accessible areas of the western shore of Lake Nipigon, on the eastern shore of Lake Nipigon near Beardmore, and on the north shore of Lake Superior between Pigeon River and the Slate Islands. Such development should encourage the widest availability of facilities to the public and a substantial return of benefits to the region itself, and could involve joint efforts by government and the tourist industry.

Recommendation 2.18

Under the Department of Tourism and Information, integrated and varied "tour packages" should be initiated and promoted to take maximum advantage of all types of recreational attractions and to extend the average visitor stay in the region.

Recommendation 2.19

Major tourist events should be developed in Northwestern Ontario which would attract large numbers of people from many parts of Canada and the United States. As examples, these events could include an international winter sports competition, and a summer voyageur festival, taking advantage of the recreational resources of Thunder Bay and elsewhere. Full advantage should be taken of the unique historical characteristics of Northwestern Ontario.

Recommendation 2.20

The north shore of Lake Superior should be developed as a major cruising area, with encouragement being given to the establishment of marina facilities, marine-oriented hotels, and on-shore recreational diversions.

Recommendation 2.21

To utilize more fully the historical and environmental qualities of the International Boundary Waters, the Pigeon River and the Lac la Croix-Rainy Lake-Rainy River systems should be developed for canoeing and other wilderness recreation.

Recommendation 2.22

The wilderness qualities of the area lying between Lake Superior and Rainy Lake, especially Quetico Provincial Park, should be carefully

preserved. Woods cutting operations should be closely controlled in all areas which have high recreational values.

Recommendation 2.23

A regional recreation and tourism plan should be prepared within the context of the Tourism and Outdoor Recreation Plan for the province.

Tourism has long been a major part of the Northwest's economy. The recommendations reproduced above were directed principally at planning the development of tourism and recreation and at capitalizing on the region's unique history and environment. The province, through the Ministry of Industry and Tourism and the Ministry of Natural Resources, has acted on the key points of these recommendations and in many cases has adopted specific programs to carry them out.

In terms of planning for tourism development, the Ministry of Industry and Tourism (MIT) in 1972 completed *Development of Tourism in Northern Ontario*. This report did not constitute a plan as such, but it did provide basic information on tourists' activities and made suggestions for developing outdoor recreation and tourism. Recently, the ministry completed another study: *Tourism Development in Ontario: A Framework for Opportunity*. Among other things, this second study identifies key areas for developing tourism in Northwestern Ontario and suggests guidelines for developing these areas.

The Ministry of Industry and Tourism has also fostered the development of major tourist events in Northwestern Ontario and has helped the region promote integrated tour packages. The province has undertaken the reconstruction of Old Fort William at Thunder Bay, and is working towards staging an annual summer voyageur festival around the fort. It has also helped local entrepreneurs improve the ski facilities in the Thunder Bay area — by building, among other things, an Olympic-calibre ski jump. These developments have enabled the region to attract a number of important winter sporting events in recent years. Regular events in other communities, such as Fort Frances' "Fun in the Sun Days" have also been helped by the government. The MIT has helped the regional travel associations to develop promotional literature and advertising. The ministry has also advertised the advantages of Northwestern Ontario in the domestic, United States, and overseas markets; and it operates travel information centres at Pigeon River, Kenora, Fort Frances, and Rainy River.

With regard to marina development, in 1974 the Ministry of Natural Resources undertook a study of the north shore of Lake Superior as a potential site for marinas and related recreation facilities. The study found the area well suited to this form of development and suggested a number of specific projects. The City of Thunder Bay, where the demand for marina and related facilities is greatest, has begun to develop marina facilities as part of a waterfront redevelopment project.

The government has also taken measures to preserve and enhance the wilderness qualities of Quetico Park and the Boundary Waters areas. Quetico Provincial Park has been designated as a primitive-class park, and commercial activities in the area, including logging, have been banned. A master park plan has been prepared to ensure that the park's wilderness qualities will be preserved.

The areas around the International Boundary Waters and the Pigeon River have been designated as the La Verendrye Park Reserve, and a canoe route has been developed through the area.

Recommendation 2.24

To facilitate research into all types of land use and capability, Ontario Land Inventory data for all parts of Northwestern Ontario should be collected and analysed as soon as possible, to provide the basis for the development of land use plans in the region.

The Ministry of Natural Resources (MNR) has finished classifying the land and mapping the land's suitability for timber, recreation, and wildlife for almost all of Northwestern Ontario south of the 52nd parallel. This and other information is being analysed by the MNR for its Strategic Land Use Plan for the region, a plan which is designed to ensure effective management of the region's natural resources. The first phase of this plan has been completed and a report *Background Information and Approach to Policy* has been published for public comment.

3. Transportation and Communications

Recommendation 3.1

To increase and improve the connectivity of the Primate and Strategic "A" growth centres, the following highway links are recommended as priority:

- a) Continued upgrading of Highway 71 (Fort Frances to Kenora);
- b) Fort Frances to Dryden;
- c) Terrace Bay to Geraldton (by first inquiring into the possibility of an agreement with Kimberly-Clark).

Recommendation 3.2

The following access roads should be given priority:

- a) Sioux Lookout to Valora and the site of Mattagami Lake Mines Ltd., at Sturgeon Lake;
- b) Minaki northeasterly to Sydney Lake (already under construction);
- c) Balmertown northerly to North Spirit Lake (already under construction);
- d) Extension of the road northerly and northwesterly from Central Patricia to connect with Balmertown northerly (already under construction);
- e) Extension and improvement of the Spruce River Road from Thunder Bay north to Armstrong;
- f) Sydney Lake northerly to Madsen;
- g) Improvement in the Anaconda road north from Nakina, providing that mining development is imminent and certain;
- h) From Nakina west to the Can-Fer iron deposits, providing that mining development is imminent and certain;

- i) Improvement in the industrial road from Manitouwadge to Caramat.

Recommendation 3.3

Over the long run consideration should be given to the construction of a highway from Atikokan north to Ignace and of an access road from Sioux Lookout easterly or northerly to Highway 599 or to Lake St. Joseph.

As noted in the first section of this review, the Ministry of Transportation and Communications' (MTC) program to maintain and improve highways in Northwestern Ontario has already brought the level of the region's highway services above the provincial average. In addition to the Highway Program, the province has completed or has under construction a number of major resource access roads in the region.

With respect to the specific projects identified in the above recommendations, MTC has completed or is building all of the roads listed, except the following:

- The travel demands and potential benefits to resource industries are not sufficient at this time to justify constructing a highway link between Terrace Bay and Geraldton. However, the MTC will continue to review the situation from time to time.
- The road northeast from Minaki has been completed as far as the north side of Sand Lake, but a decision has not yet been made to cross the English River and proceed further north.

- About 57 miles of the road north from Balmertown have been completed. Its extension to North Spirit Lake, however, has been postponed.
- Some 123 miles of road have been constructed northwest from Central Patricia. Further extension of the road has been postponed at present, but the road may eventually be extended to Windigo Lake and Round Lake.
- The potential benefits of a road from Sydney Lake to Madsen are not sufficient to justify its construction at this time.
- Mining development in the Nakina area is not imminent, and thus the Anaconda and Can-Fer access roads have not yet been undertaken.
- Improvement of the industrial road from Manitouwadge to Caramat has not been undertaken, as the travel demand and the benefits to resource industries are not sufficient to justify this improvement. The Ministry of Transportation and Communications, however, will continue to review the situation from time to time.
- Similarly, the government will continue to review the need for a highway link between Atikokan and Ignace. The possibility of major iron ore developments in the area may justify the cost of such a road in the foreseeable future.

Recommendation 3.4

The Primate and Strategic "A" centres of opportunity should be linked by a regional air service. It is further recommended that the regional service be extended to

include Primate and Strategic "A" centres in Northeastern Ontario and that the entire system be closely integrated with connecting flights between Toronto, Montreal, Thunder Bay and Winnipeg.

Recommendation 3.5

The existing policies and plans of the provincial Department of Transport's "Highways in the Sky" Program are in accordance with the Regional Development Program, but efforts should be intensified to complete the system.

The Ministry of Transportation and Communications' air services plan is in accordance with regional development policies, and the system described in 3.4 above is being put into effect.

Recommendation 3.6

The Ontario government should establish sliding formulas which could enable municipalities designated for airstrips under the "Highways in the Sky" Program to carry their fair share of the costs of airstrip development and maintenance.

Recommendation 3.7

Air freight facilities should be developed fully to meet the needs of new economic developments in the Primate and Strategic "A" centres of opportunity.

Thunder Bay and all major centres, with the exception of Geraldton, have a regularly scheduled air service provided by NorOntair and/or Transair. The Geraldton airport is being improved at a cost of \$3.25 million, and NorOntair service is scheduled to be provided to the community when the work on the airport is finished.

The NorOntair system, operated by the Ontario Northland Transportation Commission, provides a link between Northeastern and North-western Ontario. The system connects with both Air Canada and Transair services at Thunder Bay and Dryden.

With regard to airport construction, the Ontario government's subsidy for capital costs of some items involved in building and improving municipal airports has been increased from 50% to 80%. Dryden, Fort Frances, and Atikokan have received such subsidies. In addition, seven airstrips have been constructed in remote areas of the region over the past few years.

Finally, air freight facilities have been developed to keep pace with demands in Thunder Bay and the other centres.

Recommendation 3.8

The Ontario government should initiate feasibility studies of technological change which could improve efficiency and reduce the time/costs involved in transporting bulk commodities such as mineral products and manufactured products out of and into Northwestern Ontario. Such changes could involve centralized loading and off-loading facilities, unit trains, and/or containerization.

The Ministry of Transportation and Communications, in consultation with other government agencies and private industry, continually evaluates new technology in transportation and its potential application in Ontario. For example, the ministry has recently completed a study of deck-top barging (transporting loaded railway freight cars on barges) on the Great Lakes. Currently, at least one

of the region's pulp and paper companies uses deck-top barging to transport products to United States markets. The use of unit trains to move coal from Western Canada to Thunder Bay has also been investigated. Another recent study evaluated the potential use of pipelines to transport a slurry of iron ore in water and possibly similar commodities.

Recommendation 3.9

There should be established a central radio and television centre in Thunder Bay which would emphasize Ontario and Northwestern Ontario news content and extend such content into all parts of Northwestern Ontario through existing repeater stations.

The Ministry of Transportation and Communications (MTC) has helped private companies provide alternative radio service by means of low-power relay transmitters to serve the communities of Red Lake, Ear Falls, Ignace, Sioux Lookout, Hudson, and Atikokan.

The Ontario Educational Communications Authority now transmits educational television from Toronto to Thunder Bay for distribution to cable subscribers. In 1977, however, construction will start on a television broadcasting station at Thunder Bay that will broadcast educational programs all day long to Thunder Bay and its surrounding area, including Nipigon-Red Rock.

*Above/Dryden's day care centre
Centre/Old Fort William
Below/Multiple dwelling units



Above/Modern logging equipment in action
Below/Highway 17 near Marathon



Recommendation 3.10

There is an obvious need for, and early steps should be taken to develop, an improved integrated two-way radio system operating 24 hours a day to link remote settlements located in the Patricia Portion and in other territory north of the Canadian National main line.

The Ontario government, in cooperation with Bell Canada, is in the process of extending telecommunications services to remote northern communities, making reliable 24-hour-a-day voice communication possible. Scheduled for completion by 1980, these services will cost the province an estimated \$8.4 million, with an equal amount being contributed by Bell Canada.

4. Community and Regional Environment

Recommendation 4.1

Regional or district government and municipal consolidation should be implemented in those parts of the Northwestern Ontario where it is desirable.

It has long been recognized that both the system of local government and the role of the provincial government in the north require special attention. The Ontario Committee on Taxation, The Lakehead Local Government Review, and The Inter-departmental Committee on Government at the District Level, among others, agreed that the north's governmental requirements are unique in Ontario. For this reason, the regional government approach adopted in some other areas of the province earlier in this decade has not been considered appropriate in the Northwest. This is not to say that

there is no room for improvement in the system of local government in the region. The province has made it clear that it stands ready to assist municipalities in the region which wish to review and adjust their local government structure. These studies are to be initiated by the municipalities concerned, except in extreme cases where, for example, communities with urgent problems prove unable to agree on any course of action.

Recommendation 4.2

As a general policy, the construction of new townsites in Northwestern Ontario for specialized purposes such as mining should be discouraged if not restricted.

Recommendation 4.3

A type of temporary housing and service accommodation should be developed to serve the needs of mining operations which are to be small in scale and relatively short-lived.

The policy mentioned in 4.2 above reduces the need for temporary housing and services to some extent, inasmuch as it discourages temporary communities. Where temporary housing is necessary, though, one appropriate form is the mobile home. The province has taken a number of steps to establish mobile homes as an acceptable alternative to conventional forms of housing and to ensure that mobile home residents enjoy the same privileges and undertake the same responsibilities as people who live in conventional houses. The following are examples of these steps, in areas for which the Ministry of Housing is responsible.

- The Planning Act defines mobile homes as dwellings and ensures that the same standards of maintenance and occupancy are applied to mobile homes as to other forms of housing.
- New provisions in The Planning Act (June 1, 1977) are intended to prevent poorly planned mobile-home parks from being developed in the rural areas of municipalities with inadequate zoning.
- Under certain conditions, mobile homes are eligible for grants under OHRP (Ontario Home Renewal Program).
- Guidelines are being developed for the design of mobile-home projects. These guidelines should be available in the fall of 1977.

In matters which are the responsibility of other ministries, the same aim, that of putting mobile-home owners on the same footing as owners of conventional homes, has resulted in the following developments.

- The Landlord and Tenant Act and The Residential Premises Rent Review Act now apply to the relationships between mobile-home owners who rent land in mobile-home parks and the park owner.
- The Ontario Retail Sales Tax on new mobile homes has been reduced. The tax is now based on a value less than the retail purchase price of the mobile home. Used mobile homes are not subject to the tax.

- The Home Warranty Plan can, under certain circumstances, cover mobile homes.

Recommendation 4.4

The Ontario Housing Corporation and/or the municipalities should initiate land assembly projects to provide an adequate supply of residential building lots and to allow the municipality to benefit under the Home Ownership Made Easy Plan. Top priority should be given to Thunder Bay, with Strategic "A" centres following.

The Ontario Housing Development Act of June, 1974, gave municipalities the authority to assemble and service land for housing, provided that an Official Plan with housing provisions or a Housing Policy Statement was first prepared and approved. When municipalities have met either of these provisions, they can then qualify for federal government loans to cover up to 90% of the capital costs of acquiring, planning, servicing and marketing lots. By April 30, 1977, the Ministry of Housing had given assistance or grants for the preparation of Municipal Housing Policy Statements to fourteen communities: Ear Falls, Keewatin, Red Lake, Sioux Lookout, Nipigon, Beardmore, Geraldton, Nakina, Marathon, Longlac, Schreiber, Terrace Bay, Thunder Bay, and Dryden.

The Home Ownership Made Easy (HOME) Program, between its inception and March, 1977, assembled, serviced, and subdivided lots and arranged for the building of economical housing for sale in Thunder Bay (46 houses), Geraldton (25), Kenora (18), Ear Falls (15),

and Longlac (9). The HOME program was phased out in March in favour of cash grants to supplement existing subsidies given by the federal Assisted Home Ownership Program (AHOP).

Recommendation 4.5*

Provision should be made to enable people living in isolated communities to take advantage of OHC-type loans. These loans, where possible, should include provisions for the purchase of land and services.

The Northern Ontario Assistance (NOAH) Program, initiated in March, 1973, provided low-income families in non-urban areas of Northern Ontario, particularly in unorganized and remote communities, with assisted rental housing. By May, 1975, NOAH had provided units in the following communities: Minaki (20 units), Dinorwic (10), Sioux Lookout (6), Hudson (20), Savant Lake (8), Upsala (6), Nipigon (10), Aroland (10), and Manitouwadge (10).

In 1975, the NOAH Program was replaced by the federal-provincial Rural and Native Housing Program. To establish the latter program, the federal and provincial governments signed an agreement to spend up to \$20 million over three years to help rural and native people in Ontario own and rehabilitate their homes. The amount of help given is based on the income of the recipients. The Rural and Native Housing Program is administered by the CMHC; to date, forty-five communities have been approved for investigation.

The Ontario Home Renewal Program (OHRP) begun in 1974, provides per capita grants to municipalities to administer as loans to owner occupants whose adjusted annual family income is no greater than \$12,500. The prime objectives of these loans are to repair faulty structural and sanitary arrangements and to improve plumbing, heating, and electrical systems. In unorganized communities, OHRP is administered through the provincial Northern Affairs Officers of the Ministry of Northern Affairs.

Approximately \$3,000,000 has been allocated in Northwestern Ontario to date under the OHRP program. Of this sum, about \$2,400,000 has been granted to thirty-eight municipalities and over \$500,000 to unorganized territories.

The province has adopted a general policy of discouraging the construction of new townsites for specialized and short-term purposes, such as mining, except where commuting from an existing community is not practical. The purpose of this policy is to avoid spending large sums on new infrastructure that will be used for only a short time.

Recommendation 4.6

The Department of Lands and Forests and local conservation authorities should intensify replanting of older cut-over areas, especially in forest areas close to existing wood-using industries.

In 1973, the Ministry of Natural Resources (formerly the Department of Lands and Forests) embarked on a program to replant more cut-over Crown land. In 1975, the ministry replanted some 65,000 acres. By 1983, the ministry expects to more than triple this program and regenerate some 210,000 acres. The province is aware of the need to plan for future forest production now, and is currently reviewing its forest production targets.

The ministry has also agreed to manage the forests growing on a small parcel of land owned by the Lakehead Region Conservation Authority. In addition, it assists a number of private landowners in the region by advising them on proper forest management, as well as by providing them with nursery stock at low cost.

Recommendation 4.7

Measures to prevent and reduce air and water pollution should be intensified.

Ontario was one of the first jurisdictions in the world to develop a comprehensive program of environmental protection, rehabilitation, and management. Central to this program was the establishment in 1972 of the Ministry of the Environment, whose duties are to identify sources of air and water pollution and to establish abatement programs to deal with these. In order to improve its services in Northwestern Ontario, in 1974 the ministry established within the region a regional office and two district offices. A regional laboratory was also brought into operation recently.

The ministry has made progress in reducing and preventing air pollution from such sources as pulp mills, sawmills, and grain elevators. To prevent and reduce water pollution, treatment facilities and new processes have been installed in the region's pulp and paper mills; sewage treatment plants have been constructed or expanded in a number of communities; and measures have been taken to improve containment of mine tailings and contaminated water.

The Environmental Assessment Act, proclaimed in 1976, is now being put into effect. This act will play a large part in preventing pollution by ensuring, before new developments in the region are built, that they will conform with environmental objectives.

Since 1975, the ministry has signed two significant agreements affecting the Northwest: the Canada-Ontario Accord for the Protection and Enhancement of Environmental Quality and the Agreement Respecting Great Lakes Water Quality. The former agreement adopts national minimum standards for environmental protection at the start-up of all new installations or of major modifications to installations; the latter agreement sets certain water quality objectives for the Great Lakes.

5. Education

Recommendation 5.1

In recognition of the desirability of achieving equality of educational opportunity between large urban centres and the more remote communities, specific proposals are made in Recommendations 5.2 to 5.14. These should be implemented

on a staged basis in accordance with availability of resources and priority needs.

The province is putting virtually all of the Recommendations 5.2 to 5.14 into effect. Certain recommendations have been carried out more completely than others, but, as noted above, the specific proposals must be carried out in stages, according to available resources and priorities.

Recommendation 5.2

Investigate thoroughly the possibility of providing regional boards of education or a combined separate school board to provide services for the 20 small isolated public school boards and the 4 small isolated separate school boards in order that the pupils involved may have more of the opportunities available to the over 98% of the pupils who are now under the jurisdiction of larger units of administration. Some of the problems related to the disparity in education achievement are symptoms of an inadequate administrative structure. The administrative assistance given by the area superintendents attached to the regional office should be extended to the maximum amount possible.

Recommendation 5.3

When the isolated boards are grouped for administrative purposes, the more sophisticated types of teaching aids should be utilized on a rotating basis between schools. The curriculum and resource people at the Regional Office of Education should provide consultant services to upgrade the educational standards either in total or to supplement any that would be economically feasible for the regional board to provide.

Recommendation 5.4*

Where it is difficult to obtain sufficient numbers of highly qualified staff, highest priority should be given to the use of television or other communications media which can extend good teaching facilities into remote areas.

Recommendation 5.5*

The feasibility of developing learning facilities aboard school vehicles should be investigated.

The unique problems and needs of small isolated school boards have been recognized and addressed through various means since 1971. These small isolated school boards have been combined with larger boards wherever possible.

Where this has not been possible or desirable, as is the case with nineteen isolated school boards, efforts are now under way to combine them into a single cooperative board.

The administrative assistance given by staff of the regional office of the Ministry of Education has been extended to provide supervision for the Red Lake, Geraldton, and Nipigon-Red Rock boards.

All isolated schools now have basic audio-visual equipment and access to films, books, and other materials from the regional office and other sources. Educational standards have been improved to some extent by raising the qualifications of the teachers: new teachers must now meet higher requirements to obtain

their degrees and certificates than they had to in the past. In addition, the Ministry of Education helps to provide highly qualified staff through its Northern Corps, a corps of teachers specially recruited and trained to work in remote areas.

The quality of bus equipment and services was examined in the Ministry of Education report *The Education of Adolescents in Remote Areas of Ontario*. The report's suggestions for improving these services are being reviewed at the present time.

Recommendation 5.6*

In remote elementary schools, in cases where neither English nor French is normally spoken, instruction in the first few grades should be in the language of the students. English should be introduced in the fifth or sixth grade, by which time both children and parents would be familiar with the educational process.

Recommendation 5.7*

For children who are removed from isolated areas to attend school, orientation programs should be introduced for the child, his parents and the host family. While there is no set limit for the cost of room and board for pupils under the jurisdiction of school boards, the basic daily allowance for such costs for other children should be increased. In addition, financial provision should be made to allow the child to return home at least two or three times during the school year.

Recommendation 5.8*

Special classes should be established for children when first attending schools with an emphasis on individual programs.

Recommendation 5.9*

Special attention should be given to structuring courses in a manner which will enable each individual student to achieve his full potential according to his own abilities and needs. For some this may mean an emphasis on certain skills, for others orientation towards a university or technological college.

The province recognizes that native students from remote areas need special programs and counselling. Special educational and social counselling are now provided for native students from remote areas who are attending school in Thunder Bay and Red Lake.

The basic daily allowance which the Ministry of Education gives students attending residential schools has been increased from \$4.00 per day in 1971 to \$6.75 per day in 1976, with an additional daily allowance of \$1.25 for those students attending school more than seventy-five miles from home. This increase enables students to visit their homes during the school year. The regional office of the Ministry of Education also has a discretionary fund with which it can help native students purchase clothing, books, and other necessities.

Recently, the Ministry of Education published a resource guide, *People of Native Ancestry: I*. It provides

teachers with guidance on teaching methods and curriculum for primary and junior classes of native children. A companion guide, *People of Native Ancestry: II*, is being prepared and will be available soon. It will provide similar guidance on teaching methods and curricula for intermediate-level classes of native students.

Although classroom instruction is not yet being conducted in native languages (mainly because few teachers know these languages) arrangements have been made in some schools to teach the native language itself. While significant advances have been made since 1971, the province is continuing its efforts to suit teaching methods and curricula to the needs of native students.

Recommendation 5.10*

Classes for adults aimed at upgrading their education, at least to the level where they can understand the opportunities available to them and to their children, should be continued.

The province is working in a number of ways to improve the education of the region's adults. The Regional Priority Budget has been used to start Life Skills courses in a number of predominantly native communities. These courses teach adults household maintenance, family nutrition, and other aspects of domestic and social adjustment.

The Ministry of Colleges and Universities provides financial support to such institutions as Confederation College to enable it to bring adult education courses to some twenty-five remote native communities. The courses include instruction in the English language and in selected academic subjects and training in prospecting, welding, and other employable skills.

Recommendation 5.11*

Diet supplement programs should be introduced in remote schools to ensure an adequate level of nutrition.

Recommendation 5.12*

As an added incentive to parents to keep their children in school the present youth allowance of \$10 per child per month should be raised for those families with a demonstrated need.

The federal and provincial governments share the responsibility for child and family support. The modifications to the family allowance program introduced in 1974 have substantially raised the assistance given to lower-income families with children under the age of eighteen. These changes meet the requirement of the second recommendation above.

With respect to diet supplement programs, some schools in the region have had modest nutrition programs for a number of years. There is no uniform standard or policy, however. The report *The Education of Adolescents in Remote Areas of Ontario* mentioned in 5.5 above deals in part

with nutrition among students in remote schools. The province is currently considering its suggestions.

Recommendation 5.13*

In structuring the curricula and purchasing books, it is essential that these reflect the society and environment in which they are to be used.

Teaching kits being produced by the Ontario Institute for Studies in Education should be used in Northwestern Ontario as soon as possible.

Since the needs of the region's remote schools are unique, teaching kits prepared by the Ontario Institute for Studies in Education were of limited relevance to native students in Northwestern Ontario. Instead, as mentioned earlier, the Ministry of Education's *People of Native Ancestry* provides guidance on curricula, etc., for native students.

Recommendation 5.14*

The Northern Corps of teachers should be expanded and mobile teachers should be available to work with isolated and nomadic groups.

Since the number of students enrolled in the small isolated schools served by the Northern Corps has increased somewhat in recent years, the Northern Corps in the region has expanded from nine teachers in 1971 to sixteen teachers in the present school year.

On closer examination, the concept of mobile teachers to work with nomadic groups was deemed impractical. It also seems unneces-

sary, inasmuch as native people are now tending to settle in permanent communities.

6. Health

Recommendation 6.1

In order to increase the accessibility of health services in all parts of the region in a planned fashion, careful consideration should be given to specific proposals in Recommendations 6.2 to 6.8. In health, as in education, such proposals can only be implemented on a staged basis in accordance with availability of resources and priority needs.

Since 1971, significant improvements have been achieved in the provision of health services in Northwestern Ontario. The aim of these improvements has been to develop, with limited resources, an integrated health system capable of responding to the needs of the region's residents, wherever they live. Additional ways to improve the effectiveness of the health system in Northwestern Ontario are continually being considered and evaluated.

Recommendation 6.2*

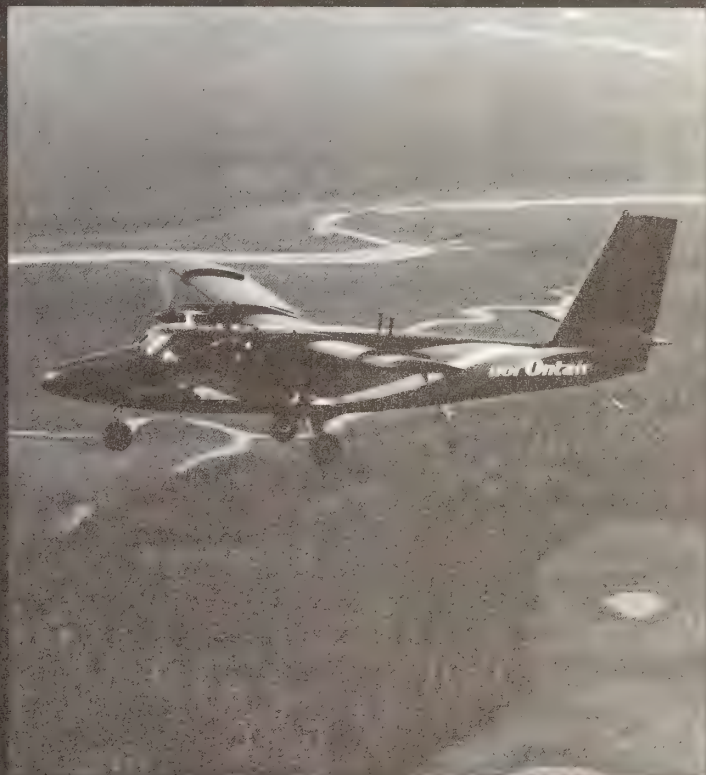
Health planning should be organized on a regional basis. Recommendations towards this end have been prepared by the Ontario Council of Health.

The Council has suggested that the two chief components of such regional health planning be the hospitals and the public health service and that other components include among others: specialist care, organized rehabilitation, mental health, home care, ambulance services and health services for the aged.

Above/Senior citizens' activities
Centre/Lakehead University
Below/Recent housing subdivision development



Above/NorOntair Twin Otter service
Below/Steep Rock Iron Mines



Health planning throughout the province is now organized on a regional basis, and an Area Planning Coordinator has been appointed for Northern Ontario; he acts as the primary Ministry of Health contact with the District Health Councils in the north.

Two District Health Councils have been established, one in Thunder Bay and one in Kenora-Rainy River, to advise the Ministry of Health on planning for the entire Northwestern Ontario region. The primary responsibilities of these councils are to identify local needs, evaluate alternative programs, establish priorities, and prepare a comprehensive program for their respective districts.

The establishment of these councils and the coordination that they have achieved has been one of the region's most significant achievements in the health field since 1971.

Recommendation 6.3*

Attention should be given to development of appropriate specialist medical services, especially in Strategic "A" centres.

Recommendation 6.4*

The smaller municipalities and unorganized communities could be assisted in the provision of accommodation for medical personnel.

Recommendation 6.5*

In remote areas, adequate telecommunication service on a 24-hour basis should be available to all personnel who may have to contact an outside centre for consultation or to summon medical or ambulance services.

Recommendation 6.6

Because of the uncertainties of northern transportation, school courses in health education should be emphasized so that all citizens may have at least some knowledge of the prevention of disease, preservation of health, first aid and home nursing.

Recommendation 6.7

The possibility should be examined of establishing frontier nursing courses, similar to those at Dalhousie University, to train medical personnel to a level half-way between that of a doctor and a nurse. The nurse practitioners produced in this way could either staff the present nursing stations, or travel among a specified number of isolated reserves and communities.

The achievement of an appropriate balance and distribution of services is essential to an effective health care system in the Northwest. Various measures have been instituted since 1971 to make the appropriate health care programs accessible to the region's residents.

Active-treatment hospitals providing various levels of service are established in all communities in the Northwest which are large enough to justify them. More highly specialized services, including those for mental health, are available in Thunder Bay to meet the needs of people throughout the region. Since 1971, the province has provided more than \$10 million in hospital construction grants to hospitals in Northwestern Ontario. Hospital services have been complemented by more emphasis on care outside hospitals, on care for the long-term patient, and on care in the patient's home.

In smaller communities the Ministry of Health helps provide medical and dental personnel through its Underserved Area Program. Other approaches to providing health manpower have also been adopted. In addition, primary care nurses are working at clinics in Thunder Bay, Beardmore, Ignace, Pickle Lake, Caramat, and Nakina. They are also employed extensively by the federal government to staff its nursing stations and to visit the more remote and predominately native communities of the region.

Telecommunications are being used to help the delivery of health services in Northwestern Ontario. The extension of telecommunication services via satellite to communities in remote areas (described earlier under Recommendation 3.10) will provide reliable 24-hour-a-day communication. In addition, the Ministry of Health and the federal government are conducting an experimental program using the Communications Technology Satellite to link the Pickle Lake medical clinic with the specialist facilities of a Toronto hospital.

The importance of preventive measures has not been overlooked. Health education in the elementary and secondary schools has been given more emphasis in recent years. In addition, the Public Health Units, through their school visits and contacts with the general public, have been active in teaching people about alcoholism, venereal disease, family planning, nutrition, and other health matters.

Recommendation 6.8

The possibility should be investigated of organizing existing facilities into an airborne health service circuit for transporting patients and medical personnel into and out of remote settlements, on both a regular and emergency basis.

The general improvements in the region's air services described earlier, coupled with special arrangements for emergency air ambulance service, have effectively met the suggestions contained in the above recommendation.

7. Social Services

Recommendation 7.1

Larger units of administration will require careful planning to produce programs which are responsive to the needs of the community and which are coordinated with provincial administration.

The delivery of social services at the local level should be organized regionally.

Recommendation 7.2

The number of family service workers and vocational rehabilitation workers in provincial regional offices should be increased in order to strengthen preventative measures.

Recommendation 7.3

Incentives should be developed which will permit the larger units of administration noted in Recommendation 7.1 and private agencies to attract and retain skilled personnel.

Since 1971, the Ministry of Community and Social Services has significantly improved the social services available in Northwestern Ontario. Services have been expanded in such areas as: day care, homes for the aged, programs for the mentally retarded, vocational rehabilitation, student and youth counselling, and income maintenance.

A Welfare Administration Board has been in operation in the Rainy River district for several years to coordinate welfare services there. Lakehead University has completed a study on behalf of the Ministry of Community and Social Services to design an integrated social service delivery system for the Rainy River and Kenora districts, and a similar system for the Thunder Bay district has also been suggested. Discussions are continuing with the municipalities with a view to creating such systems.

Since 1971, increased Community and Social Services Staff have been assigned to offices in Thunder Bay, Geraldton, Keewatin, Dryden, Fort Frances, and Red Lake. A new office has also been opened in Sioux Lookout.

While incentives per se have not been instituted to attract and retain skilled personnel as envisioned in Recommendation 7.3, the Ministry of Community and Social Services has made arrangements to use the services and skills of local social service groups and consultants. These arrangements indirectly attract and retain skilled personnel.

Recommendation 7.4

Lakehead University should be encouraged to develop and improve social service courses available in Northwestern Ontario. Community colleges should develop courses for related occupations such as the training of homemakers.

In 1973, Lakehead University established a Department of Social Work. The department currently has seventy full-time students and offers a number of courses relating to Northwestern Ontario. In addition, Confederation College offers a Social Services Program. The program, which currently has an enrolment of thirty-five full-time students, provides practical training in social service occupations.

Recommendation 7.5

National and/or province-wide charitable organizations should be made aware of the need to channel resources to Northwestern Ontario for the construction and operation, with provincial financial assistance, of institutions such as homes for the aged, day nurseries, vocational rehabilitation workshops and elderly persons recreational centres.

A number of private, non-profit organizations have been formed in the region and have instituted such services as half-way houses for alcoholics, counselling for native students, debt counselling, etc. These services have received encouragement and, in some cases, financial assistance from the provincial government.

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